

## CHAPTER NO. 667

## HOUSE BILL NO. 3286

By Representatives Head, Fitzhugh, Fowlkes

Substituted for: Senate Bill No. 3245

By Senator Henry

AN ACT to amend Tennessee Code Annotated, Title 67 relative to the taxation of leased personal property.


BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-5-502, is amended by adding the following new subsection:

( ) Notwithstanding contrary provisions of law, the comptroller of the treasury may establish a pilot program for assessing leased tangible personal property to the owner/lessor rather than the lessee. Participation in the program shall be voluntary, at the election of owner/lessors who are selected by the comptroller to participate based on criteria that optimize savings in the cost of assessment compliance and administration. The Comptroller may impose a fee to defray the cost of administration. Participants shall be permitted to report leased property centrally in lieu of the schedules otherwise required under Section 67-5-903 or 67-5-904, and the comptroller shall be responsible for distributing centrally reported assessments based on situs. Participants may be permitted to claim the business tax credit provided in Section 67-4-713 for property taxes paid pursuant to a central assessment, and the credit may be taken at the participant's option either on the return due in the jurisdiction of situs or the jurisdiction from which the lease originated.

SECTION 2. This act shall take effect upon becoming law the public welfare requiring it.

PASSED: April 29, 2004



JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES



JOHN S. WILDER  
SPEAKER OF THE SENATE

APPROVED this 14<sup>th</sup> day of May 2004



PHIL BREDESEN, GOVERNOR